

**SECTION 233 -- MAY AN ANNUAL PROGRAM PERFORMANCE REPORT BE COMBINED  
WITH OTHER DOCUMENTS?**

**233.1 Merging the annual program performance report with the annual performance plan  
or with the annual accountability report.**

*a. In general.*

An agency may choose to prepare its annual performance report as a stand-alone document, or combine it with other documents. The principal options available to an agency for combining documents are:

- Merging the annual performance report with the annual performance plan; or
- Merging the annual performance report with the annual accountability report. When these two reports are combined, the ensuing document is titled a Performance and Accountability Report.

Additionally, an agency may combine its annual plan, annual performance report, and Congressional justification into a single document. Before doing so, agencies should carefully consider the practicality of producing such a document. Coordination beforehand with appropriate Congressional committees and OMB is essential before attempting to combine the Congressional justification, annual plan, and annual performance report.

GPRA prescribes that the agency head transmit a combined annual plan and annual performance report. The Reports Consolidation Act of 2000 requires that a performance and accountability report be transmitted by the agency head. (See section 231.)

The annual performance report may not be split among several documents, such as including several elements in the annual plan and placing others in an accountability report. All required elements of the annual performance report must exist in a single document, even when combined with other another plan or report. In a merged document, agencies may adjust the placement of the required report elements to enhance their presentation.

An agency wishing to combine its annual performance report with another statutory report (other than an accountability report) should discuss this proposed combination with its OMB Resource Management Office before proceeding. The timing, transmittal, and distribution requirements of section 231 apply to any such combined report.

*b. The Accountability Report.*

The Reports Consolidation Act of 2000 allows agencies to consolidate the following reports into an accountability report after approval by OMB:

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- The Chief Financial Officers Act annual report, including the audited financial statement; and
- The annual Integrity Act report (as required by the Federal Managers' Financial Integrity Act).

The Department of Defense may include the biennial financial management improvement plan (10 U.S.C. 2222), and the Department of Justice may include the annual report of the Attorney General (28 U.S.C. 522). Prior approval by OMB is also required if an accountability report is to be combined with an annual performance report.

Consultation with Congress is required prior to combining any other statutory reports not listed above into an accountability report or a performance and accountability report. Congressional consultation is not required prior to combining an agency-specific report with a stand-alone annual performance report.

An accountability report also includes the following assessments:

- A statement prepared by the agency's Inspector General that summarizes the most serious management and performance challenges facing the agency, and assesses the agency's progress in addressing the challenges. Comments by the agency head may be appended to the Inspector General's statement.
- A summary of actual performance for key program performance goals during the fiscal year covered by the accountability report; and
- An assessment of the completeness and reliability of the performance and financial data used in the report, a description of any material inadequacies of the data, and actions being taken by the agency to resolve inadequacies..

*c. Combining the annual performance report with the accountability report to form the performance and accountability report.*

An agency may combine the annual performance report with the accountability report. Any such combined report is titled a Performance and Accountability Report. An agency must include the CFO's Act Annual Report, with its audited financial statement, in a performance and accountability report.

In a performance and accountability report, the assessment of the completeness and reliability of program performance data is included in the annual performance report section of the document (see section 232.10). Incorporating this assessment within the annual performance report will provide for consistent content presentation between a stand-alone annual performance report and a performance and accountability report. The assessment of the completeness and reliability of financial data should be included in the accountability report part of a combined report.

The Inspector General's statement of agency challenges is also included in a performance and accountability report.

In a performance and accountability report, an agency may use the annual performance report to provide basic summary information on program performance, and avoid unnecessary repetition of program performance goals in the Management's Discussion and Analysis section of the audited financial statement.

**233.2 Including program performance information in the accountability report.**

Agencies not combining their annual performance report with their accountability report must include a summary of the most significant portions of the annual performance report. This summary should be part of the Management's Discussion and Analysis (MD&A) section of the agency financial statement. Agencies preparing a stand-alone financial statement should also include program performance information in the MD&A portion of the statement. (The Statement of Federal Financial Accounting Standards, No. 15, defines the content of an MD&A and its placement in the agency's financial statement.)

The summary is not a replication of the annual performance report, and every goal in the annual performance report should not appear in a MD&A.

The program performance information included in an MD&A for key performance goals must be taken from the annual performance report. This should ensure that all program performance information appearing in different documents is consistent.

The program performance information included in a MD&A may be supplemented by other performance information existing within the agency, and which is not included in the annual performance report. This can include workload or transaction data.

In the program performance section of an MD&A, agencies should not include forward-looking information for program performance goals, including anticipated future performance levels, unless such levels were previously published in a strategic plan or annual performance plan. This will avoid having the MD&A identify prospective performance goals prior to transmittal of the President's budget or the agency Congressional justification.

Program performance information derived from the annual performance report is not subject to new or additional audit requirements as a consequence of its being included in the accountability report or the financial statement.

**Principal Contents of the Annual Accountability Report**

An Annual Accountability Report generally includes:

- A concise overview or executive summary of the reporting entity, sometimes called called a management discussion and analysis, or MD&A, that summarizes the content of the report and briefly addresses critical program and financial performance.
- Program performance information for the fiscal year covered by the accountability report. Agencies may also include prior year program performance information. (A combined accountability report and annual program performance report would automatically include this information.)
- The Federal Managers' Financial Integrity Act (FMFIA) signed assurance statements; information on management controls; and management's audit follow-up report as required by the Inspector General Act.
- Principal financial statements and accompanying footnotes; the auditor's report(s) thereon; and if applicable, required supplementary stewardship information, required supplementary information, and other accompanying financial information.